United Nations A/72/223

General Assembly

Distr.: General
28 July 2017

Original: English

Seventy-second session
Item 67 of the provisional agenda*
New Partnership for Africa's Development: progress in implementation and international support

New Partnership for Africa's Development: fifteenth consolidated progress report on implementation and international support

Report of the Secretary-General

Summary

The present report, submitted pursuant to General Assembly resolution 71/320, reviews progress made in the implementation of the New Partnership for Africa's Development (NEPAD). The report also coincides with the second year of the implementation of the 2030 Agenda for Sustainable Development. Following the adoption of the Agenda 2063: The Africa We Want, the strategic vision of the continent's transformative development, and its first 10-year implementation plan (2013-2023), African countries, with the support of the African Union Commission and the NEPAD Planning and Coordinating Agency, continued to mainstream the priorities of the 2030 Agenda and Agenda 2063 into their national development frameworks.

The report notes that, despite the adverse negative effects of weak global economic conditions on Africa's growth performance, African countries continued to make progress in the implementation of the priorities of NEPAD, particularly in the areas of infrastructure, agriculture and gender mainstreaming. The African Peer Review Mechanism continued to enjoy widespread recognition as an instrument for promoting good governance, as evidenced by the increasing number of African countries acceding to the Mechanism. Efforts aimed at the establishment of the Continental Free Trade Area received a major boost with the adoption of the three remaining annexes to the Tripartite Free Trade Area agreement, on rules of origin, trade remedies and dispute settlement. This paved the way for the signing and eventual ratification of the agreement. Africa's development partners continued to support the implementation of NEPAD projects and Agenda 2063 through official development assistance, foreign direct investment, debt relief and trade. An immediate priority for African countries is to intensify efforts to accelerate economic growth through industrialization and structural transformation, which are key to

* A/72/150.

17-12875 (E) 250917

Please recycle

achieving sustainable development. Complementary measures carried out by the international community through financing, trade, capacity development and technology transfer will be essential in this regard.

I. Introduction

1. In its resolution 71/320, entitled "New Partnership for Africa's Development: progress in implementation and international support", the General Assembly requested the Secretary-General to submit a comprehensive report on the implementation of the resolution to the Assembly at its seventy-second session. The present report is submitted pursuant to that resolution.

2. The report highlights policy measures undertaken by African countries and organizations in the implementation of the New Partnership for Africa's Development (NEPAD), as well as the complementary measures implemented by the international community, including support provided by the organizations, funds and programmes of the United Nations system during the past year. Where data allow, activities undertaken by the private sector and civil society organizations in support of NEPAD are also highlighted. The report benefited from information provided by Member States, the NEPAD Planning and Coordinating Agency (NEPAD Agency), the African Union Commission, the secretariat of the African Peer Review Mechanism, the regional economic communities, the African Development Bank, the Organization for Economic Cooperation and Development (OECD), members of the Interdepartmental Task Force on African Affairs and other subregional and regional African stakeholders.

II. Action taken by African countries and organizations

3. Adopted in 2001 by African Heads of State and Government, NEPAD is an African-owned and -led framework for the continent's socioeconomic transformation. Notwithstanding the progress made in economic and social development over the past several years, including in the implementation of some of the Millennium Development Goals, persistent and emerging challenges remain that, if not addressed, will undermine progress towards the implementation of the Sustainable Development Goals and Agenda 2063: The Africa We Want.

4. Agenda 2063, adopted at the twenty-fourth African Union Summit, held in Addis Ababa in January 2015, includes all of the priorities of NEPAD. Following the adoption of the Agenda, the African Union adopted the first 10-year implementation plan (2013-2023) for Agenda 2063, which comprises the following programmes and projects: the Grand Inga Dam project; an integrated high-speed train network; an African virtual and e-university; the formulation of a commodities strategy; the establishment of the Continental Free Trade Area by 2017; a pan-African passport and the free movement of people; the establishment of a single African air transport market; the establishment of an African financial institution; the "Silencing the Guns by 2020" initiative; a Pan-African e-network; and an Africa outer space strategy.

5. The NEPAD Agency, as the technical arm of the African Union, in coordination with other structures of the Union and with regional economic communities, is focusing efforts on the implementation of these programmes by supporting African countries in planning, implementing, monitoring and evaluating their implementation. The Agency is working to strengthen capacities at the national, regional and continental levels to coordinate the implementation of these agendas.

6. Agenda 2063 builds on the NEPAD experience, incorporating all of the sectoral priorities of the Partnership as well as ongoing national and regional efforts aimed at its implementation.

7. Since the launch of the Tripartite Free Trade Area agreement in Egypt in 2015, negotiations on the finalization of the agreement have been ongoing. At a meeting of Africa's trade ministers held in Uganda in July 2017, the three remaining annexes to the agreement, on rules of origin, trade remedies and dispute settlement, were adopted, thus overcoming the last obstacle to its signing and ratification. Following the adoption of the annexes, South Africa signed the agreement, bringing to 19 the number of countries signatory thereto. This provides impetus for the signing and eventual ratification of the agreement by all the countries concerned. The Tripartite Free Trade Area brings together 26 African countries, which account for roughly half of the continent and 55 per cent of its gross domestic product (GDP).

8. The full realization of the goals and targets of the 2030 Agenda for Sustainable Development and the aspirations of Agenda 2063 will require concerted efforts by both African countries and the international community to support the implementation of key NEPAD priorities.

A. Infrastructure

9. Infrastructure is essential for the continent's economic growth and sustainable development and for the acceleration of regional integration. In order to overcome Africa's infrastructure deficit, African countries continued to implement the Programme for Infrastructure Development in Africa, the flagship infrastructure development endeavour of the African Union. During the reporting period, the NEPAD Agency continued to support the implementation of the Programme.

10. Progress in the implementation of the Presidential Infrastructure Champion Initiative continued under the leadership of the President of South Africa, Jacob Zuma, in his capacity as Chair of the Initiative, which comprises nine transboundary regional infrastructure projects, championed by eight Heads of State and Government. Thanks to an effective system of twice-yearly comprehensive reporting at meetings of the NEPAD Heads of State and Government Orientation Committee, the implementation of the Initiative is mainstreamed at the highest level. This demonstrates the importance of political will and commitment to advance key regional infrastructure projects.

11. Among the projects being carried out under the Initiative, "Missing Links on the Trans-Sahara Highway", comprising the construction of 225 km of road linking Assamaka and Arlit in the Niger, continued on two simultaneous tracks, with the completion slated for the end of 2017. Under the project entitled "Optic Fibre Link between Algeria and Nigeria via Niger", aimed at connecting Algeria and Nigeria through the installation of 4,500 km of terrestrial optic fibre, the Algerian section was completed and is now fully operational. A feasibility study of the Niger-Chad section was carried out with funding from the African Development Bank. Under the "Nigeria-Algeria Gas Pipeline Project", contracts are being executed for the "early gas" phase of the project. Senegal has identified the Dakar-Bamako rail component of the "Dakar-Ndjamena-Djibouti Road/Rail Project" as its first phase. Implementation is expected to begin in 2018, with all related technical studies being financed by the West African Economic and Monetary Union.

12. Under the multi-component water management and transport project entitled "Construction of a Navigational Line between Lake Victoria and the Mediterranean Sea", the Government of Egypt has completed the pre-feasibility study on schedule, providing a benchmark for the preparation of other projects under the Initiative. The "Lamu Port Southern Sudan-Ethiopia Transport Corridor Project" is the most recent project of the Initiative, endorsed at the twenty-fifth African Union Summit, held in Johannesburg, South Africa, in June 2015.

13. During the reporting period, NEPAD launched the Move Africa Initiative in May 2016 with a view to complementing existing corridor projects in order to enhance intra-African trade by lowering costs and increasing efficiencies in the transport sector. It builds on existing initiatives and projects of the Programme for Infrastructure Development in Africa. These include one-stop border posts and trade facilitation measures, such as the African Union Programme on Boosting Intra-African Trade and the Action Plan for the Accelerated Industrial Development of Africa framework.

14. To contribute to the acceleration of projects under the Programme for Infrastructure Development in Africa, NEPAD held the second meeting of the Continental Business Network in May 2016 to explore risk mitigation measures in transboundary infrastructure projects. The Network has established itself as a forum for engaging private sector contributions to projects implemented under the Programme. The Network's report on the de-risking of infrastructure and Programme projects in Africa was launched in October 2016 during Africa Week, the theme of which was "Strengthening partnerships for inclusive sustainable development, good governance, peace and stability in Africa".

15. Progress was also made on the Inga III hydropower project with the establishment of the Agency for the Development and Promotion of Grand Inga by the Democratic Republic of the Congo in December 2015 and the completion of a feasibility study with the support of the World Bank in July 2016. While the Government of the Democratic Republic of the Congo is in the process of evaluating bids to build and operate the power station, the NEPAD Agency will work closely with the African Development Bank, NEPAD, the Infrastructure Project Preparation Facility, the African Union Commission, the Development Bank of Southern Africa and the Southern African Power Pool with the support of the Governments of the Democratic Republic of the Congo and South Africa to establish a regional institutional framework for coordinating the development and financing of the project.

B. Agriculture and food security

16. Agriculture and food security are key pillars of NEPAD, Agenda 2063 and the Agenda for Sustainable Development. Through the Comprehensive Africa Agriculture Development Programme, NEPAD has placed emphasis on the development and transformation of agriculture. Similarly, according to the first 10-year implementation plan, aspiration 1 of Agenda 2063, "A prosperous Africa based on inclusive growth and sustainable development", calls for a radical transformation of African agriculture to enable the continent to feed itself and be a major player as a net food exporter. Similarly, the 2030 Agenda is aimed at transforming agriculture as part of its Sustainable Development Goal 2, "End hunger, achieve food security and improved nutrition, and promote sustainable agriculture".

17. During the reporting period, African countries continued to make progress towards the implementation of commitments relating to agricultural development and food security, including the commitment, set out in the Maputo Declaration on Agriculture and Food Security, to allocate at least 10 per cent of public expenditure to agriculture and the commitment of the Comprehensive Africa Agriculture Development Programme to achieve a 6 per cent annual growth rate in agricultural productivity. According to the most recent available data, 12 countries had reached or surpassed the 10 per cent target as of December 2015.

18. As of November 2015, 50 member States were actively engaged in the Comprehensive Africa Agriculture Development Programme process, with 44 having

signed Programme compacts and 29 implementing national agriculture and food security investment plans. To enhance the allocation of public financing to agriculture, the NEPAD Agency developed a methodology for integrating agricultural public expenditure processes into agricultural joint sector review processes.

19. The African Union Commission and the NEPAD Agency developed an African Union business plan for the implementation of the Comprehensive Africa Agriculture Development Programme-Malabo Declaration on Accelerated Agricultural Growth and Transformation for Shared Prosperity and Improved Livelihoods to catalyse the implementation of commitments to accelerate agricultural transformation in Africa. The Programme's implementation guidelines and strategic guidelines provide a mechanism for the review of biennial reporting on the Declaration. The review mechanism is aimed at providing a platform for mutual accountability and peer review.

20. Progress was made towards the African Union vision of providing support for 25 million farming households in employing climate-smart agricultural practices by 2025, at the second forum of the Africa Climate-Smart Agriculture Alliance. At the national level, the NEPAD Agency supported the development of proposals for climate-smart agricultural interventions for Kenya, the United Republic of Tanzania and Zambia within the frameworks of the Africa Climate-Smart Agriculture Alliance and the NEPAD-Non-Governmental Organization Agriculture Climate Change Alliance.

21. While Africa has made progress in implementing the Comprehensive Africa Agriculture Development Programme and the Maputo and Malabo commitments, countries continue to face a number of challenges, including inadequate financial support for the agricultural sector, lack of capacity and policy coordination, and difficulty in translating political commitments into concrete action. It is critical to establish a comprehensive financing architecture with a continental, regional and national perspective to ensure accelerated implementation, coordination, complementarity and accountable partnership across Africa; ensure that development financing reaches the grass roots; and address the needs of women and youth.

C. Health

22. The African Union has placed significant emphasis on ensuring healthy lives for all citizens in Agenda 2063 and the Africa Health Strategy 2016-2030, which serves as a framework for national action to strengthen the performance of health systems, increase investments in health, improve equity and reduce the burden of priority diseases.

23. During the reporting period, the NEPAD Agency concluded preparations for the implementation of the African Health Strategy 2016-2030, adopted at the twenty-seventh African Union Summit, held in Kigali in July 2016. The Strategy provides an operational framework for monitoring the health-related targets of the first 10-year implementation plan of Agenda 2063.

24. The NEPAD Agency collaborated with the World Health Organization and the African Union Commission towards the establishment of an African medicines agency. The work was focused on defining the scope of the medical products to be covered and developing a legal and institutional framework and business plan for the proposed agency.

25. At the twenty-eighth African Union Summit, held in Addis Ababa in January 2017, African leaders endorsed the ministerial declaration entitled "Universal access to immunization as a cornerstone for health and development in Africa", which

called for increased political and financial commitment to immunization programmes.

26. The African Academy of Sciences Alliance for Accelerating Excellence in Science in Africa, the NEPAD Agency, the Bill and Melinda Gates Foundation and others initiated the Grand Challenges Africa programme to provide research grants aimed at addressing health challenges across the continent. The Alliance has committed $7 million for grants over a five-year period. Innovative initiatives that are granted $100,000 in initial funding and exhibit good potential for scaling up may apply for supplementary funding of up to $1 million.

27. In the area of communicable diseases, the NEPAD Agency, with the support of African experts, developed a framework to guide the regulation of technologies to control vectors that transmit infectious diseases, including malaria and Zika virus disease. Field trials of the technologies are to be piloted in Burkina Faso, Mali and Uganda.

28. Following the introduction of harmonized regulatory standards for medical products under the African medicines regulatory harmonization programme in 2015, a number of regional economic communities, including the East African Community, the Southern African Development Community and the Economic Community of West African States (ECOWAS), established their own national and regional certification schemes for compliance with good practices in pharmaceutical manufacturing. This was facilitated by the development of a model law on medical products regulation by the NEPAD Agency in collaboration with the African Union Commission and the Pan-African Parliament.

29. With funding from the World Bank and the collaboration of African countries and partner organizations, the NEPAD Agency launched the Southern Africa Tuberculosis and Health Systems Support Project in 2016 in four countries: Lesotho, Malawi, Mozambique and Zambia. The project is aimed at strengthening the response of the health sector to tuberculosis and occupational lung diseases.

D. Education and training

30. Education and training are essential for harnessing Africa's potential, and thus are important priorities of the African Union, as indicated in Agenda 2063. Accordingly, the NEPAD Agency continued to support national and regional efforts to achieve human capital development through education and training.

31. During the reporting period, considerable efforts were made to strengthen human capital development in the health sector. In its Africa Health Strategy 2016-2030, the African Union focused on reforms in the health sector to strengthen capacity through training, recruitment, deployment and retention. It also focused on the development of expertise in health management and of Africa-wide standards for training and licensing. Furthermore, the Strategy called for the establishment of a continental instrument to regulate and better manage the migration of health workers, both within and outside Africa.

32. In the light of the high youth unemployment rates in Africa, the NEPAD Agency continued to prioritize skills development for Africa's youth with a view to improving the employment prospects of young people in marginalized and rural communities. To that end, the second Africa Rural Development Forum was held under the theme "Transforming Africa's rural space through youth empowerment, job creation and skills development". Special efforts were also made by the Agency to promote opportunities for women and young people in agriculture and

agribusiness through the implementation of the Agriculture Technical Vocational Education and Training project, with funding from the Government of Germany.

33. With the financial support of the Government of Germany in the form of a grant of €35 million, the NEPAD Agency will implement a skills initiative for Africa that is being piloted in Cameroon, Kenya, Nigeria, South Africa and Tunisia. The project is aimed at strengthening the occupational prospects of young people through innovative skills development programmes and cooperation with the private sector.

E. Environment and tourism

34. African countries are particularly vulnerable to the effects of climate change. Thus, strengthening their capacity to adapt to and mitigate those effects will be crucial for achieving the Sustainable Development Goals and fulfilling the aspirations set out in Agenda 2063.

35. During the reporting period, African countries continued to take measures to address the negative effects of climate change. These included the implementation of an African strategy on climate change, the operationalization of the Africa Climate Change Fund and the strengthening of climate adaptation and resilience, including through capacity development programmes for women, young people and farmers.

36. The NEPAD Agency also contributed to the organization of the African pavilion at the twenty-second session of the Conference of the Parties to the United Nations Framework Convention on Climate Change, held in Marrakesh, Morocco, in November 2016, which provided a platform for African countries, regional economic communities and other stakeholders to share experiences relating to climate change in Africa. The second annual forum of the Africa Climate-Smart Agriculture Alliance, held in Nairobi in October 2016, brought together all key stakeholders to deliberate on actions that will help to realize the African Union vision of supporting 25 million farming households in deploying climate-smart agricultural practices by 2025.

37. At the regional level, the NEPAD Agency identified a total of 20 technologies to enable the ECOWAS region to adapt to climate change. The Agency also organized a number of workshops in Côte d'Ivoire and Senegal to develop the skills of "trainers of trainers" from 15 ECOWAS member States and regional institutions to mitigate and adapt to climate change, as well as to introduce climate change methods into their respective countries' national agriculture investment plans.

38. At the national level, the NEPAD Agency developed fundable proposals for climate-smart agriculture-related interventions for Kenya, the United Republic of Tanzania and Zambia within the frameworks of the Africa Climate-Smart Agriculture Alliance and the NEPAD-International Non-Governmental Organization Alliance on Climate-Smart Agriculture. In addition, research results were published on methods for climate change adaptation in six countries: Burkina Faso, Cameroon, Ethiopia, South Africa, Togo and Zambia. The Agency also assisted in upgrading climate change adaptation and mitigation skills in the Zimbabwean livestock sector by training 109 "trainers of trainers" on livestock extension.

F. Information and communications technology

39. Harnessing the power of information and communications technology (ICT) will be indispensable for Africa in achieving the Sustainable Development Goals

and realizing the aspirations set out in Agenda 2063. As part of the efforts to develop world-class infrastructure, Agenda 2063 is aimed at placing the continent on an equal footing with the rest of the world as an information society, an integrated economy in which every Government, business and citizen has access to reliable and affordable ICT services. In that context, among its objectives are to increase broadband penetration by 10 per cent by 2018 and to increase broadband connectivity by 20 per cent.

40. The NEPAD e-Africa Programme continued to strengthen ICT on the continent through the Programme for Infrastructure Development in Africa. In addition, the e-Africa Programme worked to boost broadband access in Africa through: (a) increased bandwidth and investment in ICT; (b) reduced costs of access to ICT; (c) improved online content and services; (d) enhanced ICT skills on the continent; and (e) an enabling policy environment for ICT in Africa.

41. The second Africa Rural Development Forum, convened in September 2016, provided an opportunity to establish partnerships and to share experiences, including innovative approaches to rural development and the deployment of ICT. The Forum culminated in the adoption of the Yaoundé Declaration and Plan of Action, which, inter alia, focused on building on the comparative advantage of youth by investing in ICT to enhance the capacity of youth to leverage the rural-urban nexus.

42. While the opportunities for ICT in Africa are significant, the continent faces a number of challenges, including infrastructure and energy constraints, lack of ICT and related skills in many countries and high broadband costs compared with other regions of the world. Overcoming those challenges will require, inter alia, enhancing and reforming education on the continent so that it is conducive to building ICT capacity. In addition, greater efforts should be made to create public-private partnerships in order to jointly develop and manage large-scale ICT infrastructure projects, including broadband projects.

G. Science, technology and innovation

43. Science, technology and innovation is an important programmatic priority area for the African Union. The NEPAD Agency continued to support African countries in implementing Africa's Science and Technology Consolidated Plan of Action in the three interrelated areas of capacity-building, knowledge production and technological innovation. The main frameworks being implemented by the Agency include the Science, Technology and Innovation Strategy for Africa 2024. During the reporting period, the High-level African Panel on Emerging Technologies was created by the African Union Commission. The Panel will advise the African Union and its member States on how to harness emerging technologies for economic development, in line with the Consolidated Plan of Action.

44. In the area of capacity development, the NEPAD Agency, in collaboration with the Government of Japan and through the Japan International Cooperation Agency, has provided technical support to promote *kaizen*, or "continuous improvement", in Africa. *Kaizen* involves the adoption of innovation by the entire workforces of companies to improve their productivity.

45. The NEPAD Agency is also working with the Japan International Cooperation Agency to mainstream *kaizen* in Africa by establishing centres of excellence across all regions of the continent. A total of 25 African countries have benefited from training in *kaizen*-related programmes, with some 60 African officials having received annual training in Japan and Malaysia.

46. The African Union recognizes the potential role of knowledge generation and its application in driving the dynamic transformation of African economies. In that regard, the African Biosafety Network of Expertise, initiated in 2009, continues to build functional biosafety systems in African Union member States.

47. In terms of technological innovation, the NEPAD Agency partnered with the Council for Scientific and Industrial Research of South Africa to develop an operational framework on technology to further the implementation of the industrialization strategies and road maps of the African Union and regional economic communities. This will result in a road map for countries on ways to achieve the short-, medium- and long-term industrialization targets for the continent, as set out in the Action Plan for the Accelerated Industrial Development of Africa.

H. Gender mainstreaming, empowerment of women and participation of civil society

48. Gender equality and women's empowerment remain key priorities for the achievement of Africa's development priorities and are primary areas of focus of NEPAD, Sustainable Development Goal 5 of the 2030 Agenda and aspiration 6 of Agenda 2063. Following two consecutive years of gender-related African Union themes, with 2015 and 2016 focused on women's empowerment and the rights of women, respectively, the NEPAD Agency continued its efforts to support the implementation and mainstreaming of gender equality and women's empowerment at the national, regional and subregional levels.

49. The NEPAD Agency, with the support of Germany, finalized a plan for the implementation of a project entitled "Women in agriculture technical vocational education and training", with the aim of empowering women in agriculture and agribusiness. Through the project, more than 1,000 women in Benin, Ghana and Kenya were trained on new approaches to value chains.

50. With the support of NEPAD, a mobile banking system was established to provide microcredit services to women in remote areas of the North Bank region of the Gambia. The system provided access to finance to 300 rural women from 30 communities, including women victims of violence in five counties. Support was also provided to the Employment and Professional Training Institute of Cabo Verde for the creation of a business incubation centre on the island of São Vicente. The centre's credit guarantee scheme provides improved job prospects and access to self-employment opportunities for vulnerable young women.

51. The Ministry of Education, Science and Technology of Sierra Leone enrolled 500 women in 30 non-formal education centres throughout the country. The centres provide numeracy, business development and literacy skills training, as well as financing to start small and medium-sized enterprises. In addition, ASMADE, a non-governmental organization in Burkina Faso, supported the Association of Women in Informal Catering Services in creating 45 registered microenterprises, and SARA, a Guinean non-governmental organization, helped to develop the capacity of 378 women in developing small and medium-sized enterprises.

52. In Côte d'Ivoire, the skills and systems of women fish processors were upgraded through support for d'Amakpa, a fish processors' association. This was complemented by the publication of a research report on the impacts of fish-smoking activities and technologies and the related health risks for women. A blueprint, including communication tools, was developed to guide the scaling-up of fish processing and identify ways to mitigate post-harvest losses.

53. While the continent has made noteworthy progress, including with respect to education and representation in government, significant challenges remain, including lack of finance, lack of reporting on gender, and insufficient focus on and resources for capacity-building.

I. African Peer Review Mechanism

54. Good governance is an important enabler of growth and sustainable development. NEPAD, Agenda 2063 and the 2030 Agenda have all reaffirmed the critical role of good governance in promoting peace, security and sustainable development. During the reporting period, African countries continued the implementation of the African Peer Review Mechanism.

55. At the twenty-eighth African Union Summit, in January 2017, Namibia acceded to the African Peer Review Mechanism, becoming the thirty-sixth country to join it. To date, 36 member States of the African Union have voluntarily joined the Mechanism: Algeria, Angola, Benin, Burkina Faso, Chad, the Congo, Côte d'Ivoire, Djibouti, Egypt, Equatorial Guinea, Ethiopia, Gabon, Ghana, Guinea, Kenya, Lesotho, Liberia, Malawi, Mali, Mauritania, Mauritius, Mozambique, Namibia, the Niger, Nigeria, Rwanda, Sao Tome and Principe, Senegal, Sierra Leone, South Africa, the Sudan, Togo, Tunisia, Uganda, the United Republic of Tanzania and Zambia. Twenty-one of those 36 countries have been peer reviewed.

56. At the institutional level, following the decisions by the African Union to strengthen the African Peer Review Mechanism and integrate it into the structures of the Union, progress was made in that regard. During the reporting period, the Mechanism was revitalized through the adoption of a five-year strategic plan. Furthermore, in January 2017, African Union leaders expanded the mandate of the Mechanism to include its monitoring and evaluation role with respect to the implementation of both the 2030 Agenda and Agenda 2063.[1]

57. In addition, the African Peer Review Mechanism strengthened its partnerships with several organizations, in particular the Economic Commission for Africa, the African Capacity-Building Foundation and the Mo Ibrahim Foundation. New partnerships were also forged, including with the Office of the Special Adviser on Africa.

III. Response of the international community: building on the momentum of the international community's support for Africa's development

58. Given Africa's integration into the world economy, global economic activities have considerable bearing on the continent's economic performance. The global economy has yet to emerge from a prolonged period of slow growth. According to the United Nations, the growth of world output slowed to 2.3 per cent[2] in 2016, down from 2.6 per cent in 2015 and representing the lowest growth since the "great recession" of 2009. Although global growth is projected to rise to 2.7 per cent in 2018 and 2.8 per cent in 2019, downside risks remain, related mainly to weak investment and policy uncertainty.

[1] See A/72/269-S/2017/780.

[2] See *World Economic Situation and Prospects 2017* (United Nations publication, Sales No. E.17.II.C.2).

59. Those factors contributed to weak economic performance in Africa, with GDP growth decelerating to 1.6 per cent, down considerably from 3.1 per cent in 2015. If the trend continues, it may pose challenges for the implementation of the 2030 Agenda.

60. At the Summit of the Group of Seven Industrialized Countries held in Italy in May 2017, a special session was organized to reinforce the partnership between the Group of Seven and African countries on innovation and sustainable development, with the participation of five African Heads of State and Government, the Secretary-General of the United Nations and heads of other international organizations. The Secretary-General called for world leaders to invest in young people, with stronger investment in technology and relevant education and capacity-building in Africa. In the Summit's final communiqué, the leaders of the Group of Seven recognized Africa's security, stability and sustainable development as significant priorities and pledged to work with African countries to provide young people in particular with the skills, infrastructure and resources necessary to enable them to succeed.

61. At the Group of 20 Summit held in Hangzhou, China, in September 2016, leaders launched the Group of 20 Initiative on Supporting Industrialization in Africa and Least Developed Countries. In that context, the Group committed itself to promoting inclusive and sustainable structural transformation in Africa and the least developed countries, including by promoting investment in sustainable and secure energy, such as renewables and energy efficiency. This was a welcome development, given the strong emphasis of the African Union on structural transformation through industrialization and economic diversification. As part of the Initiative, the Group of 20 will also explore ways to cooperate on vocational training and the promotion of science, technology and innovation as critical means for industrialization.

62. In January 2017, in the context of its presidency of the Group of 20, Germany unveiled its "Marshall Plan with Africa", an integrated blueprint for addressing an array of challenges in Africa. The Plan is aimed at enhancing German cooperation with regard to market access for African exports, ending illicit financial flows and promoting education and entrepreneurship programmes. The Plan proposes a new level of equal cooperation with African countries to advance the continent's development in line with the goals and aspirations set out in Agenda 2063.

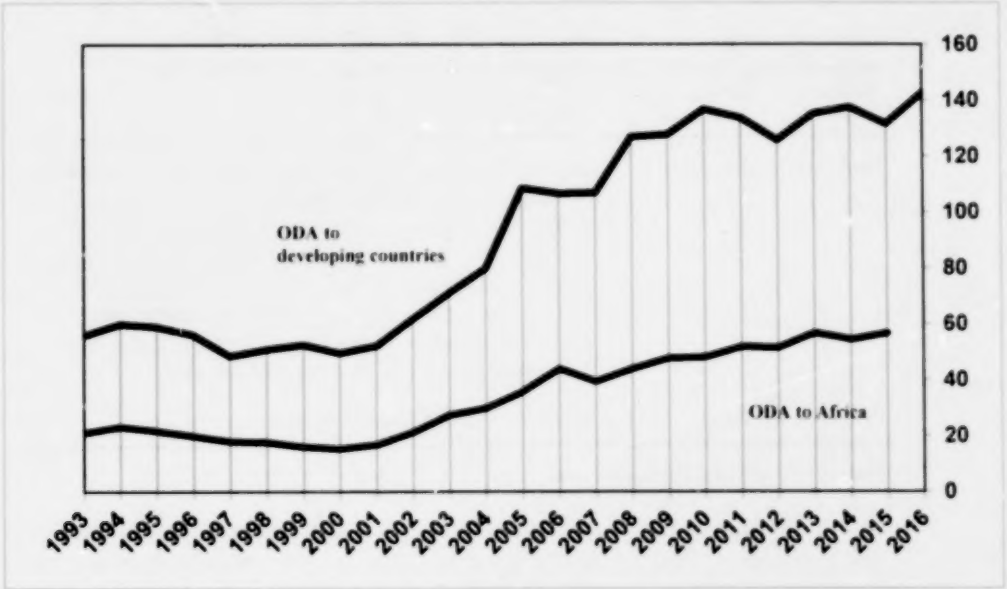
63. The sixth Tokyo International Conference on African Development was held in Nairobi in August 2016. The event, which was co-organized by the Government of Japan, the African Union Commission, the Office of the Special Adviser on Africa, the United Nations Development Programme and the World Bank, was historic, as it marked the first time in its 23-year history that the Conference had been held on African soil. More than 11,000 people participated in the sixth Conference, including representatives of 53 African countries, development partners, international and regional organizations, the private sector and civil society. The Conference saw the adoption of the Nairobi Declaration and Implementation Plan, which fully reflected Africa's development priorities as encapsulated in Agenda 2063 and its first 10-year implementation plan.

64. Through the sixth Tokyo International Conference, Japan pledged to support African countries by developing quality infrastructure, promoting resilient health systems and laying the foundations for peace and stability. In financial terms, that commitment will amount to approximately $30 billion under public-private partnerships during the period 2016-2018.

A. Official development assistance

65. According to the latest available data from OECD,[1] official development assistance (ODA) reached a new peak of $142.6 billion in 2016, representing an increase of 8.9 per cent compared with the 2015 figure of $131.6 billion (see figure below).

Total official development assistance from all donors



Source: Online database of the OECD Development Assistance Committee, 2017.

66. ODA data for Africa for 2016 were not available at the time of reporting. The most recent ODA data for Africa available from OECD show ODA rising from $54.3 billion in 2014 to $56.61 billion in 2015, representing a marginal increase of 0.04 per cent.

67. In 2016, total net ODA as a percentage of the gross national income (GNI) of the member countries of the Development Assistance Committee averaged 0.32 per cent, compared with the 0.30 per cent recorded in 2015. This is below the 0.7 target set by the United Nations and recently reaffirmed by donor countries in the Addis Ababa Action Agenda of the Third International Conference on Financing for Development. Only a handful of countries (Denmark, Germany, Luxembourg, Norway, Sweden and the United Kingdom of Great Britain and Northern Ireland) met the 0.7 per cent ODA/GNI target.

68. According to the 2017 report of the Inter-Agency Task Force on Financing for Development, since 2010 the increase in ODA volume has been due mainly to increases in the costs of humanitarian aid and the hosting of refugees in donor countries. OECD figures show that between 2015 and 2016, aid spent on refugees in donor countries increased by 27.5 per cent in real terms, from $12.1 billion to $15.4 billion, which increased the proportion of aid spent on refugees in donor

[1] See http://www.oecd.org/dac/development-aid-rises-again-in-2016-but-flows-to-poorest-countries-dip.htm.

countries as a percentage of total ODA from 9.2 per cent in 2015 to 10.8 per cent in 2016.

B. Debt relief

69. Addressing the debt burden of African countries will contribute to the implementation of Agenda 2063 and the 2030 Agenda by freeing up resources for development.

Current and potential beneficiaries of the Heavily Indebted Poor Countries Initiative and the Multilateral Debt Relief Initiative, as of June 2017

Status	*Countries*
Post-completion point	Benin, Burkina Faso, Burundi, Cameroon, the Central African Republic, Chad, the Comoros, the Congo, Côte d'Ivoire, the Democratic Republic of the Congo, Ethiopia, the Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Madagascar, Malawi, Mali, Mauritania, Mozambique, the Niger, Rwanda, Sao Tome and Principe, Senegal, Sierra Leone, Togo, Uganda, the United Republic of Tanzania and Zambia
Pre-decision point	Eritrea, Somalia and the Sudan

Source: International Monetary Fund.

70. As of June 2017, 30 African countries had reached the post-completion point and continued to receive full debt relief. Three eligible heavily indebted poor countries that have yet to reach the decision point (Eritrea, Somalia and the Sudan) have not yet benefited from debt relief. While there have been no new developments in the case of Eritrea, Somalia has made some progress and is finalizing its poverty reduction strategy paper. Somalia will need to clear its arrears owed to the International Monetary Fund and the World Bank before becoming eligible for financial assistance. The Sudan is eligible for debt relief, but must first normalize its relations with external creditors.[4]

71. Despite gains as a result of debt relief through the Heavily Indebted Poor Countries Initiative and Multilateral Debt Relief Initiative processes, external debt in several African countries has rapidly increased in recent years and is becoming a source of concern to policymakers and multilateral financial institutions.[5] While Africa's external debt ratios currently appear to be manageable, their rapid growth in several countries is of concern and requires action if a recurrence of the African debt crisis of the late 1980s and the 1990s is to be avoided.

72. The burgeoning debt of several African countries may be explained by the fact that they currently have better access to international financial. In that regard, investors are seeking better yields and higher rates of return on the basis of the perceived risk of investing in Africa. Against a backdrop of falling commodity prices, rising debt levels and forecasts of higher global interest rates, the potential dangers of a new debt trap in Africa, reminiscent of the 1980s, are worrisome and call for sound debt management to ensure long-term debt sustainability.

[4] See A/71/276.

[5] See *Economic Development in Africa Report 2016: Debt Dynamics and Development Finance in Africa* (United Nations publication, Sales No. E.16.II.D.3).

C. Foreign direct investment and other private flows

73. According to *World Investment Report 2017* of the United Nations Conference on Trade and Development (UNCTAD), global flows of foreign direct investment (FDI) fell in 2016 by approximately 2 per cent to $1.75 trillion. Developing countries saw an even more substantial decline in FDI, to $646 billion.

74. In line with the global trend, FDI flows to Africa continued to decline in 2016, to $59 billion, representing a decrease of 3 per cent compared with 2015. The decline was due largely to low commodity prices that affected investors' appetite for investing in sub-Saharan Africa, which received only $45 billion in FDI flows in 2016, representing a decline of 7 per cent. This is disconcerting, given the importance of FDI for financing growth and supporting the implementation of the Sustainable Development Goals.

75. With regard to the distribution of FDI and other private flows to the continent, it remained uneven, only five countries (Angola, Egypt, Ethiopia, Ghana and Nigeria) accounted for the lion's share (57 per cent) of such inflows.

76. FDI flows to North Africa continued their upward trend, increasing by 11 per cent in 2016 to $14.5 billion, led mainly by robust FDI flows to Egypt, which recorded an increase of 17 per cent to $8.1 billion. The increase in FDI in Egypt was boosted by the discovery of gas reserves.

77. Flows to Ethiopia increased by 46 per cent to $3.2 billion in 2016, directed mainly to the infrastructure and manufacturing sectors. This contributed to an increase of 13 per cent in FDI in East Africa, which received $7.1 billion. Similarly, FDI flows to West Africa grew by 12 per cent to $11.4 billion in 2016, owing mainly to the recovery of investment in Nigeria, with FDI flows to Ghana increasing by 9 per cent to $3.5 billion, mainly in hydrocarbons and cocoa-processing projects.

78. A decrease in FDI flows to the Democratic Republic of the Congo by 28 per cent to $1.2 billion in 2016 affected FDI flows to Central Africa, which registered a decrease of 15 per cent in 2016, to $5.1 billion.

79. Similarly, FDI flows to southern Africa fell by 18 per cent to $21.2 billion in 2016. In particular, FDI in commodity-rich countries such as Angola, Mozambique and Zambia continued to decline. For example, FDI flows to Angola, the largest FDI recipient on the continent, declined for the second consecutive year, by 11 per cent to $14.4 billion. In addition, the weak recovery of FDI flows to South Africa, which received $2.3 billion in FDI in 2016, marking an increase of 31 per cent compared with the record low seen in 2015 but still well below its past average, contributed to a decrease in FDI flows to southern Africa.

D. Trade

80. Trade is an important means of implementing the Sustainable Development Goals. The international community continues to support the efforts of African countries to harness the benefits of trade through enhanced market access and relief from supply-side bottlenecks. According to the World Trade Organization, the total value of global exports decreased by 3.3 per cent to $15.4 trillion in 2016. In keeping with the global trends, exports from Africa fell by 11.5 per cent to $346 billion, owing primarily to continued decreases in commodity prices and

declining demand from China.[6] Nonetheless, even as commodity-dependent exporters struggled, most African non-commodity exporting countries saw continued growth in exports, which contributed to their relatively improved economic performance.

81. Intra-African trade has been increasing gradually over the past two decades, with 18 per cent of total exports going to other African countries in 2015, up from 10 per cent in 1995. Exposure to commodity price fluctuation is offset in part by the fact that 60 per cent of total intra-African trade involves manufactured products.

82. At the fourteenth session of UNCTAD, held in Nairobi in July 2016, consensus on Africa's structural transformation centred on the continent's need to open up capital, goods and labour markets, and to utilize technologies relevant to local production, while at the same time seeking investment to spur innovation. It was noted that agricultural markets, the manufacturing sector and the market for services could all be enhanced through continued regional trade integration.

83. Global aid-for-trade commitments amounted to $53.8 billion in 2015, with commitments to Africa amounting to $18.1 billion, or approximately one third of the total. In terms of sectoral allocation, the largest distribution of commitments to Africa was in the energy sector, accounting for 28.7 per cent of the total. This was followed by the transport and storage sector, at 25.8 per cent, and the agricultural sector, at 23.6 per cent.

E. South-South cooperation

84. South-South and triangular cooperation continued to be an important area of focus for Africa and its new and emerging development partners. During the reporting period, a number of events were organized to strengthen cooperation among countries of the South. In October 2016, Brazil, the Russian Federation, India, China and South Africa (the BRICS group of countries) held the eighth annual BRICS Summit in Goa, India, under the theme "Building responsive, inclusive and collective solutions". The Summit saw the adoption of a five-pronged approach, focused on: (a) institution-building; (b) implementation of the decisions adopted at previous summits; (c) the integration of existing mechanisms; (d) innovation; and (e) the continuity of mutually agreed mechanisms. In the Goa Declaration, adopted at the conclusion of the Summit, the leaders of the five countries welcomed the vision, aspirations, goals and priorities for Africa's development enshrined in Agenda 2063 and pledged to continue to engage in joint endeavours to advance Africa's solidarity, unity and strength through measures in support of regional integration and sustainable development.

85. In November 2016, African and Arab leaders met in Malabo for the fourth Africa-Arab Summit, held under the theme "Together for sustainable development and economic cooperation". African and Arab leaders reviewed progress made in the three years since the previous summit and deliberated on how to strengthen their cooperation on the basis of equality, mutual interest and respect, in order to achieve their economic and sociocultural development objectives. The Summit culminated in the adoption of the Malabo Declaration, which set out areas of future cooperation; a Declaration on Palestine; and the Africa-Arab Cooperation Action Plan 2017-2021.

86. In 2017, the Forum on China-Africa Cooperation held a ministerial conference in Pretoria with the aim of enhancing cooperation between China and Africa in the area of health. The conference, held in follow-up to relevant commitments made at

[6] See "Trade recovery expected in 2017 and 2018, amid policy uncertainty" (World Trade Organization, 12 April 2017).

the summit held by the Forum in Johannesburg in 2015, featured the participation of health ministers from China and 31 African countries, under the theme "China-Africa health cooperation, from commitments to actions". At the conclusion of the conference, China signed a variety of cooperation agreements with African countries, including an agreement on maternal and child health-care cooperation with Malawi and an agreement on hospital cooperation with Chad, the Congo, Ghana, Mauritania, the Niger and Zambia.

IV. Support provided by the United Nations system

A. General

87. The United Nations system has continued to provide substantial support for the priorities of the African Union and NEPAD at both the global and regional levels, by funding programmes and projects on capacity- and institution-building, providing policy advisory services and supporting resource mobilization efforts through global advocacy.

88. During the reporting period, the United Nations system continued to work towards the implementation of NEPAD, Agenda 2063 and the 2030 Agenda, particularly in the contexts of the African Year of Human Rights with Particular Focus on the Rights of Women and the African Year of Harnessing the Demographic Dividend through Investments in Youth. In particular, the system supported the African Union and its subregional institutions in the contexts of the United Nations Conference on Housing and Sustainable Urban Development (Habitat III) and the twenty-second session of the Conference of the Parties to the United Nations Framework Convention on Climate Change.

89. In respect of the joint implementation of Agenda 2063 and the 2030 Agenda, the United Nations provided support to the African Union Commission in the mainstreaming of the priorities of the two agendas as well as the establishment of a monitoring and evaluation framework.

B. Strengthening of the Regional Coordination Mechanism of United Nations agencies and organizations working in Africa in support of the African Union and the New Partnership for Africa's Development

90. During the reporting period, the United Nations system continued to enhance the effectiveness and efficiency of the cluster system of the Regional Coordination Mechanism for Africa. In March 2017, the eighteenth session of the Mechanism, held under the theme "United Nations system support to harnessing the demographic dividend through investments in youth", saw the adoption of the nine clusters that are realigned with Agenda 2063 and its first 10-year implementation plan. The clusters are: (a) sustainable and inclusive economic growth, industry, trade, agriculture and agroprocessing, and regional integration; (b) infrastructure development; (c) human capital development, health, nutrition, science, technology and innovation; (d) labour, employment creation, social protection, migration and mobility; (e) gender equality, women and youth empowerment; (f) humanitarian matters and disaster risk management; (g) environment, urbanization and population; (h) advocacy, information, communications and culture; and (i) governance, peace and security.

91. Furthermore, the Regional Coordination Mechanism helped to strengthen the partnership between the United Nations and the African Union. In line with its reconfiguration process, the Mechanism formulated the Framework for a Renewed United Nations-African Union Partnership on Africa's Integration and Development Agenda 2017-2027, as a successor to the 2006 United Nations-African Union 10-year capacity-building programme. Following the adoption of the Framework at the twenty-seventh African Union Summit, held in Kigali in July 2016, the General Assembly adopted its resolution 71/254, entitled "Framework for a Renewed United Nations-African Union Partnership on Africa's Integration and Development Agenda 2017-2027". The resolution acknowledged the importance of both Agenda 2063 and NEPAD for the achievement of the 2030 Agenda. The Framework serves as an overall platform for United Nations-African Union cooperation anchored in Agenda 2063. Accordingly, it is the road map for "delivering as one" and enhancing the coordination and coherence of United Nations support for the African Union and its organs and organizations.

92. To provide effective coordinated support for the partnership between the United Nations and the African Union, steps were taken to strengthen United Nations internal coordination in the African region, both in Addis Ababa and beyond. With respect to the former, the United Nations liaison team, which is composed of United Nations agencies and organizations based in Addis Ababa and has been serving as a forum that complements the Regional Coordination Mechanism for Africa, sought to enhance internal coherence, convergence and synergy within the entities of the United Nations system based in Addis Ababa in order to play a more effective role in strengthening the partnership in the context of the Mechanism. With respect to the United Nations internal coordination beyond Addis Ababa, in December 2016 a joint meeting between the secretariat of the Mechanism and the Regional United Nations Development Group for East and Southern Africa and for West and Central Africa decided to hold joint policy dialogues/debates on thematic priority issues going forward.

V. Conclusion and policy recommendations

93. During the reporting period, African countries continued to make progress in the implementation of the NEPAD agenda within the context of Agenda 2063 and its first 10-year implementation plan. With the support of the African Union Commission and the NEPAD Agency, African countries worked to mainstream the 2030 Agenda and Agenda 2063 into their national development frameworks. Notable progress was made towards the establishment of the Continental Free Trade Area, one of the flagship projects under the first 10-year implementation plan, with the adoption of the three remaining annexes to the Tripartite Free Trade Area agreement, on rules of origin, trade remedies and dispute settlement. This paved the way for the signing and eventual ratification of the agreement.

94. African countries continued to intensify efforts to promote the development of infrastructure through the implementation of the Programme for Infrastructure Development in Africa and the Presidential Infrastructure Champion Initiative to achieve the Agenda 2063 vision of world-class infrastructure. Similarly, measures were undertaken in other NEPAD priority sectors, of agriculture, education, health, science and technology, governance, gender mainstreaming and women's empowerment. Despite the difficult global economic environment in 2016, complementary measures carried out by the international community through financing, trade, debt relief and South-South cooperation supported both diversification and regional integration towards the implementation of Africa's priorities.

95. **While African countries have taken full ownership of the Sustainable Development Goals and worked to mainstream and integrate them into their national development frameworks, strategies and budgets, the engagement of political leadership at the highest level will be critical to sustained progress towards the implementation of the Goals. Furthermore, given the comprehensive nature and interlinkages of the Goals, there is a need to ensure the engagement of all relevant actors in their implementation and monitoring, including ministries, municipal authorities, local communities, the private sector, academia and civil society organizations.**

96. **Despite efforts to strengthen agricultural development and food security in recent years, malnutrition continues to affect a large number of people in Africa. Owing to drought and other climate-change-related effects, hunger and famine affect a number of countries in the region. Efforts to improve agricultural productivity will be vital to addressing the problem of food insecurity. Meeting the 10 per cent target of national budget allocations to agriculture, in line with the Maputo Declaration, and further investment in agriculture, including through irrigation, improved land management and the introduction of new crop varieties, will also help to mitigate the negative effects of climate change on Africa's agriculture. To support those efforts, development partners should further increase the percentage of ODA targeted towards agricultural development.**

97. **Education will be central to achieving the 2030 Agenda vision of leaving no one behind. Through the implementation of the Millennium Development Goals and NEPAD, African countries recorded a substantial increase in primary school enrolment. This notwithstanding, a large number of African children lack basic literacy and numeracy owing to the poor quality of education. In that regard, African countries need to strengthen their education systems with a focus on the primary, secondary and tertiary orders to improve future learning and employment outcomes. Similarly, given the high youth unemployment rates across Africa, efforts are needed to strengthen technical and vocational training in order to equip young people with skills that are relevant to the labour market.**

98. **Investment in quality infrastructure will be critical to meeting the goals set out in both the 2030 Agenda and Agenda 2063. Despite efforts to promote infrastructure development through the Programme for Infrastructure Development in Africa, the infrastructure deficit in Africa remains substantial. In that regard, African countries will need to undertake reforms and unleash local and foreign private sector partners for investment in infrastructure, including through the creation of enabling regulatory and legal frameworks, in order to achieve the Dakar Agenda for Action. Similarly, complementary efforts will be required from development partners to support infrastructure development through financing and capacity-building, particularly for the implementation of bankable projects.**

99. **While the continent has made noteworthy progress in mainstreaming gender and promoting women's empowerment, significant challenges remain. Further progress will require greater support for African women and girls through targeted policies to enhance women's access to legal and property rights, economic empowerment and productive assets such as land and financing. Furthermore, it is critical to develop and strengthen policies aimed at achieving gender equality and women's empowerment as a top priority and in a cross-cutting manner, integrating them throughout the implementation of all the priorities of NEPAD, the 2030 Agenda and Agenda 2063. Development**

partners need to financially support African countries' efforts towards gender equality and women's empowerment.

100. **Financing remains a serious challenge to the implementation of the NEPAD agenda and, unless addressed, is likely to pose challenges to the implementation of the 2030 Agenda. In that regard, African countries will need to continue their efforts to mobilize increased domestic resources from both public and private sources, including by broadening the tax base, reducing exemptions and eliminating illicit flows.**

101. **Despite gains in debt relief through the Heavily Indebted Poor Countries Initiative and the Multilateral Debt Relief Initiative combined with macroeconomic stabilization, the debt of a number of African countries has increased rapidly in recent years, raising the alarm with respect to a potential debt problem reminiscent of the 1980s. National and international efforts must be made to preserve the debt sustainability of African countries in order to free up resources for development and poverty reduction.**